

State Connectivity Grant Funding Formula Examples – 2014-15 School Year

Allocations of the State connectivity funds are distributed to schools based on an equity formula. The premise of the formula is that a certain level of connectivity should be provided for all schools at no cost. Resources to accomplish this come from E-rate discounts that schools receive for Internet service and from the State connectivity funds ([SCHOOL AND LIBRARY INTERNET CONNECTION – IC 4-34-3-2](#)). A combination of E-rate discount and state connectivity funds will cover up to \$1,450 of monthly internet service/bandwidth for each school that is part of the state network.

Corporation ABC (uses more than \$1,450/month in service)

- Monthly Bandwidth Cost = \$4,200
- E-rate discount level = 60%
- State Connectivity Fund Allocation = 40% of \$1,450

Monthly bandwidth costs from ENA (before E-rate discount)	\$4,200
Less E-rate Discount (60%)	(\$1,680)
Less State Connectivity Grant Allocation (40%)	(\$870)
Local Monthly Cost	\$1,650

Corporation JKL (uses less than \$1,450/month in service)

- Monthly Bandwidth Cost = \$1,000
- E-rate discount level = 45%
- State Connectivity Fund Allocation = 55% of \$1,000

Monthly bandwidth costs from ENA (before E-rate discount)	\$1,000
Less E-rate Discount (45%)	(\$550)
Less State Connectivity Grant Allocation (55%)	(\$450)
Local Monthly Cost	\$0

Corporation XYZ (uses exactly \$1,450/month in service)

- Monthly Bandwidth Cost = \$1,450
- E-rate discount level = 85%
- State Connectivity Fund Allocation = 15% of \$1,450

Monthly bandwidth costs from ENA (before E-rate discount)	\$1,450
Less E-rate Discount (85%)	(\$217.50)
Less State Connectivity Grant Allocation (15%)	(\$1,232.50)
Local Monthly Cost	\$0